

FACT SHEET

CREDIT GUARANTEE FACILITY PROGRAM

In order to facilitate the sale of U.S. capital goods and related services, Ex-Im Bank has established the Credit Guarantee Facility (CGF) Program.

Credit guarantee facilities are lines of credit between a bank in the U.S. and a foreign bank (or occasionally a large foreign buyer). Ex-Im Bank guarantees the repayment of the foreign bank's obligations. The foreign bank then makes credit available to the end user of the U.S. exports and takes the repayment risk of that local company. Financing is restricted to repayment terms of two to five years. Exports typically sold on shorter terms are not covered under such facilities.

U.S. exporters do not need to go through the Ex-Im Bank application process. They should direct their buyers to an on-lending bank in their country to obtain the credit. The U.S.-based bank will disburse to the U.S. exporter. Since the lines are preapproved and individual transactions do not require Ex-Im Bank's review, the process can move very quickly.

The CGF's also enable smaller foreign businesses to obtain U.S. dollar credits which might otherwise have been unavailable from Ex-Im Bank. They must, however, be found creditworthy by the on-lending bank.

Under the CGF's, Ex-Im Bank's standard guarantee coverage is available: 100 percent of principal and interest for up to 85 percent of the U.S. export value, with either floating or fixed rates, plus Ex-Im Bank's exposure fee, if financed. The buyer must make a 15 percent cash payment to the exporter outside of the CGF.

Attached is a list of contacts and facilities operative as of March 31, 2000.

MORE INFORMATION

U.S. Toll Free Number: (800) 565-EXIM
Worldwide Number: (202) 565-3946
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TDD: (202) 565-3377
Fax Retrieval: (800) 565-EXIM, press 1, press 2
E-Mail: bdd@exim.gov
Internet: <http://www.exim.gov>

Regional Offices:

Northeast - New York	(212) 466-2950	Fax (212) 466-2959
Mid-Atlantic - Washington, DC	(202) 565-3940	Fax (202) 565-3932
Southeast - Miami	(305) 526-7436	Fax (305) 526-7435
Midwest - Chicago	(312) 353-8081	Fax (312) 353-8098
Southwest - Houston	(281) 721-0465	Fax (281) 679-0156
West - Long Beach	(562) 980-4580	Fax (562) 980-4590
<i>Satellite</i> - San Jose, CA	(408) 271-7300 ext. 104	Fax (408) 271-7307
<i>Satellite</i> - Orange County, CA	(949) 660-1688 ext. 150	Fax (949) 660-8039